



North East Joint Transport Committee

Tuesday, 14th December, 2021 at 3.00 pm

Meeting to be held in the Council Chamber, Gateshead Civic Centre, Regent Street, Gateshead NE8 1HH

AGENDA

Page No

1. **Apologies for Absence**

2. **Declarations of Interest**

Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (and submit it to the Democratic Services Officer). Please also remember to leave the meeting where any personal interest requires this.

3. **Minutes of the last meeting held on 16 November 2021**

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4. **North East Enhanced Partnership**

Report to follow

5. **Integrated Rail Plan and Leamside Line Update**

13 - 24

6. **Exclusion of the Press and Public**

7. **Minutes of the confidential meeting held on 16 November 2021**

25 - 26

The Joint Transport Committee may wish to exclude the press and public during consideration of item 6 by virtue of paragraphs 2, 3 and 5 of Parts 1 and 3 of Schedule 12A of the Local Government Act.

8. **Date of next meeting**

The next meeting will be held on 18 January 2022 at 2.30pm, venue to be confirmed.

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NORTH EAST JOINT TRANSPORT COMMITTEE

DRAFT MINUTES FOR APPROVAL

DATE: 16 November 2021

Meeting held: Council Chamber, Gateshead Civic Centre

COMMITTEE MEMBERS PRESENT:

Councillor: M Gannon (Chair)

Councillors: N Forbes, J Foreman, C Johnson, C Rowntree, E Scott and R Wearmouth

IN ATTENDANCE:

Statutory Officers: M Barker (Monitoring Officer - Transport)
P Darby (Chief Finance Officer)
T Hughes (Managing Director, Transport North East)
S Ramsey (Lead Chief Executive – Transport)

Officers: J Bailes, F Bootle, L Clifford, E Goodman, J Fenwick,
R Forsyth-Ward, A Graham, M Kearney, M Jackson,
G Mansbridge, P Meikle, K Pawley, E Reynard, J Sparkes and
D Wafer.

Others: M Tugwell and J Jordan – Transport for the North

51. APOLOGIES FOR ABSENCE

Apologies were received from Councillors T Dixon, Cllr A Hopgood, Cllr G Miller and Cllr G Sanderson.

52. DECLARATIONS OF INTEREST

There were no declarations of interest.

53. TRANSPORT FOR THE NORTH UPDATE

Martin Tugwell, Chief Executive of Transport for the North (TfN) addressed the Committee. In April 2018, TfN became the first sub-national statutory body for transport in England. It holds a range of powers to improve transport across the north, promote rail and highway investment and oversee Transpennine Express and Northern Rail services.

A core element of TfN's work is the Northern Powerhouse Rail programme which is intended to radically improve east-west rail journeys across Northern England, with a business case that includes a major capacity upgrade to the East Coast Main Line, including the full re-opening of the Leamside Line to freight services.

The Northumberland Line, which he had visited earlier in the day, is a good example of how investment in rail services will provide an opportunity to unlock economic, social and environmental improvements in the region.

TfN also has a role in improving the road network and works with National Highways and other partner organisations to deliver investment and link all transport systems.

TfN is due to publish a report in the New Year which looks at the impact of transport on social inclusion and how these barriers can be addressed and linked to strategic transport planning.

Councillor Wearmouth thanked Martin for attending the Committee and explaining the role of TfN. He was pleased that Martin had visited the Northumberland Line earlier in the day and reiterated how important it is for investment in the region. He added that Northumberland County Council is happy to support any ongoing work to reopen the Leamside Line.

Councillor Wearmouth asked whether the Blyth relief road could be included in TfN's priorities in the future. The road is due to be improved at the end of the decade, which will be too late due to the economic improvements that are ongoing linked to the GIGA Plant. He added that the roundabout at Moor Farm is of particular concern and would like TfN to lobby National Highways about this issue.

Councillor Wearmouth added that the Union Connectivity Review was also important to the region, in particular the dualling of the A1 to Berwick.

Finally, Councillor Wearmouth asked whether TfN could support devolved funding for transport in the region, following the announcement of the City Regions Transport Fund.

Martin thanked Councillor Wearmouth for his well-made comment and assured him that TfN would do anything within its role to support better conversations with Government and empower regional leaders with a sound financial framework to enable them to make choices for their region.

The Chair thanked Martin for his contribution to the meeting.

RESOLVED: The North East Transport Committee noted the information within the report and the update provided by Martin Tugwell, Chief Executive, Transport for the North.

54. TRANSPORT NORTH EAST – TRANSPORT PLAN PROGRESS REPORT

The Committee considered a report which provided an update on progress made to implement the objectives of the North East Transport Plan.

New Lumo services have commenced on the East Coast Main Line while work continues on the Rail and Metro Strategy for the region.

A funding announcement for the Active Travel Fund is expected shortly and a further report will be presented to the Committee once this is received.

The Go Smarter, Go Active campaign has continued to encourage health active travel across the region during the recent half-term holiday.

The Bus Service Improvement Plan agreed at the last meeting of JTC has been submitted to Government, although it was highlighted that the Comprehensive Spending Review Announcements on 27 October would seem to indicate that there would be far less funding available than what was originally planned.

The Tyne Pass scheme to introduce barrierless travel for Tyne Tunnel users took effect on 8 November 2021.

RESOLVED: The North East Joint Transport Committee noted the report.

55. TRANSFORMING CITIES FUND – TRANCHE 2 PROGRAMME UPDATE

The Committee considered a report which provided an overview of the high-level risks and emerging concerns with regards to the delivery of the Transforming Cities Fund Tranche 2 programme.

The report also sought approval for advanced funding to be provided to two schemes:

- Intelligent Transport Systems (ITS) Scheme - totalling £4.5m; and
- North Shields Transport Interchange Scheme – totalling £3.24m

This will ensure that both schemes to be financially complete within the programme deadline.

Approval was also sought from the Committee to reallocate £1.5m of TCF funds from the South Shields to Newcastle Bus Corridor Scheme to the regional ITS allocation, following a rescoping of the scheme. The additional funding will

enable delivery of rescope works due to be delivered by the South Shields to Newcastle Bus Corridor Scheme to be included within the regional ITS Scheme.

RESOLVED: The North East Joint Transport Committee:

- (i) Agreed and approved advanced funding for the regional ITS scheme, totalling £4.5m, and instructed officers to prepare and execute a Grant Funding Agreement with Newcastle City Council for these funds.
- (ii) Agreed and approved advanced funding for the North Shields Transport Interchange scheme, totalling £3.24m, and instructed officers to prepare and execute a Grant Funding Agreement with North Tyneside Council for these funds.
- (iii) Approved the removal of the South Shields to Newcastle Bus Corridor scheme from the Transforming Cities Fund programme and reallocation of £1.5m of TCF funds to the regional ITS scheme.
- (iv) Acknowledged the Transforming Cities Fund programme update.

56. TRANSFORMING CITIES FUND TRANCHE 2 – GRANT FUNDING AGREEMENTS (ITS)

The Committee considered a report which sought delegated authority to approve and allocate funding from the Transforming Cities Fund Devolved Pot to the regionwide Intelligent Transport Systems Scheme. A business case for the scheme is currently being considered in accordance with the region's Transport Assurance Framework with the scheme appraisal being conducted by Transport North East's retained independent consultants.

The Committee were advised that it is necessary to expedite approval of the scheme to start on site in January 2022, to ensure that it will meet the construction programme within TCF timelines.

RESOLVED: The North East Joint Transport Committee:

- (i) Delegated authority to the Managing Director, Transport North East in consultation with the Section 73 Officer and Monitoring Officer, to approve the release of £18,607,188 from the TCF Devolved Pot to the ITS scheme, subject to successful appraisal in line with Transport Assurance Framework.
- (ii) Instructed officers to prepare and sign a Grant Funding Agreement with Newcastle City Council for the ITS scheme.

57. DISCHARGE OF TRANSPORT FUNCTIONS BY NORTHUMBERLAND COUNTY COUNCIL 2020/21

The Committee considered a report which provided an update on the discharge of delegated transport functions by Northumberland County council for the financial year 2020/21.

RESOLVED: The North East Joint Transport Committee noted the report.

58. REVENUE BUDGET PROPOSALS 2022/23 AND UPDATED FORECAST OF OUTTURN 2021/22

The Committee considered a report which provided an updated forecast of outturn for the transport revenue budgets for 2021/22, based on the position to 30 September 2021 and a summary of the draft transport budget and levies for 2022/23.

As the Committee were aware, the Covid-19 pandemic continues to have a significant impact on transport and on Nexus in particular, given its funding model. The reduction in passenger revenue in the current year has been mitigated through the provision of grant funding support from Government, but the Government has made it clear thusfar that this funding will be withdrawn in April 2022.

It is not expected that patronage on Metro will have returned to pre-pandemic levels by April 2022 which means Nexus will face a significant shortfall in its commercial revenues and cannot balance its budget once Government support is withdrawn. Current estimates indicate that patronage will be around 80% of pre-pandemic levels next year.

To meet this challenge, the Committee were advised that measures will need to be put in place to set a balanced budget next year. These measures include:

- A reduction of £7.5m in the budget used to fund concessionary bus travel reimbursement in Tyne and Wear – with the funding released being redirected to support the Metro;
- Efficient savings and additional stretched income targets for Nexus of £3.6m and use of £5.6m of Nexus' reserves; and
- As a last resort, a 6.75% increase in the Tyne and Wear levy which equates to £4.125m year on year increase. The alternative to increasing the levy would be cuts to Nexus' services to the same value as the proposed increase.

Members were advised that the use of reserves to balance the budget next year is not a sustainable position and should patronage not recover sufficiently to offset then further difficult decisions, including potential further increases in the Tyne and Wear levy would be needed in setting the 2023/24 budgets too.

All the proposals outlined within the report are subject to consultation before the Joint Transport Committee makes a final decision on the budget at its meeting in January 2022. Every effort is being made to lobby and persuade the Government on the issues caused by the withdrawal of Covid-19 support funding.

Councillor Gannon commented that in Gateshead, an increase to the Tyne and Wear Levy would equate to an additional £750,000 which on top of the other huge financial cuts that have already taken place, will be a huge challenge. If the levy is not increased, then funding for buses would need to be reduced by a further £7m which will have a huge impact on bus services. He referenced the Bus Service Improvement Plan that JTC had agreed that month to be submitted to Government, which asked for £804m to improve bus services in the region and make travel more affordable. Councillor Gannon added that although the Tyne and Wear authorities provide the levy to Nexus, Metro benefits the whole of the region and is a central part of the public transport infrastructure. He acknowledged that cuts cannot be made easily to Metro services due to its fixed costs, so if funding from Government is not provided, then either cuts will need to be made to the bus budget or a plan will need to be made for the Metro service to be closed down, which will be economically catastrophic for the region. He concluded that the region needed to continue to push Government to maintain funding for buses and Metro.

Councillor Forbes endorsed Councillor Gannon's comments and added that there was a strong evidence base that confidence about travelling on public transport has not yet returned, and car use is also increasing. He added that it is not financially feasible for local authorities to pick up the funding gap for public transport, given the unpalatable choices that every local authority is going to have to make in the forthcoming years, as a result of austerity, plus the additional costs that are being imposed due to the increase in the national living wage and care sector. Cllr Forbes agreed that the local authorities need to continue to lobby Government to extend funding and promote confidence in public transport. He added that the Enhanced Partnership that is being developed with the bus operators will include incentives to encourage people back onto buses – which was something that the Government was happy to support during the lockdowns.

Councillor Foreman agreed with all of the comments and agreed support needed to be included from economic, social and environmental sectors of the region when lobby Government.

Councillor Gannon agreed and added that in the past, lobbying has been more effective when it is not party political, and everyone speaks as the whole North East region.

Councillor Wearmouth agreed and added that Northumberland County Council is happy to support any requests to Government for funding. He asked whether there had been any feedback from any other areas in the country that also have light rail? He also suggested that a presentation to MPs about the issues may be useful.

Tobyn Hughes advised that the other light rail systems including the largest one in Manchester are also facing the same funding issues and the same impacts.

Councillor Scott suggested that a joint approach could be made and advocated for seeking support from the North East Chamber of Commerce.

Councillor Gannon advised that he had already met with John McCabe (Chair of NECC) and that he will continue to reach out to regional partners.

Paul Darby advised the Committee that there is a timing issue as there are statutory deadlines that need to be met when setting the budget for 2022/23. A decision will need to be made at the next JTC meeting in January and constituent authorities will need to set their budgets and council tax in February so if the DfT/Government were inclined to reverse the current position and extend the grant support, then we need to know sooner rather than later.

Councillor Gannon agreed and added that urgent direct meaningful discussions are required with Government due to the statutory deadlines.

RESOLVED: The North East Joint Transport Committee:

- (i) Received the report for information and comment;
- (ii) Noted the updated forecast of outturn for the 2021/22 Transport budget as set out in the report;
- (iii) Agreed to write to the Government, formally requesting that Covid-19 support for the Tyne and Wear Metro be continued over at least the next financial year;
- (iv) Considered the budget assumptions/proposals set out in the report, forming the basis of consultation on the 2022/23 Transport budget:
 - a. That £5.6m of Nexus' reserves are utilised in 2022/23 to help balance the budget next year;
 - b. That the Nexus budget for bus concessionary travel reimbursement in Tyne and Wear is reduced by £7.5m next year in line with government guidance, with funding redirected towards Nexus to help offset funding pressures with the Metro;
 - c. That Nexus be tasked with achieving efficiency savings of £2.4m and additional income of £1.2m to assist in balancing the budget in 2022/23;
 - d. That as a last resort the 2022/23 Transport Levy for Tyne and Wear is indicatively to be set at £65.225m, which represents an increase of £4.125m compared with the current year, but subject to a positive response to from the government in relation to Covid-19 support, and subject to further revision should passenger numbers on the Tyne and Wear Metro improve beyond forecast levels;
 - e. That the revenue grant to Nexus for 2022/23 is indicatively proposed to be set at £63.125m which represents an increase of £4.125m compared with the current year;

- f. That the alternative to an increased Tyne and Wear levy would be cuts to other Nexus services to the value of £4.125m;
 - g. That a minimum contribution of £500,000 to Transport North East be top sliced from the Local Transport Plan Integrated Transport Block grant received by the JTC in 2022/23;
 - h. That the JTC Tyne and Wear Sub Committee give consideration to increasing the Tyne Tunnels tolls for Class 3 vehicles next year in line with Retail Price Index inflation as set out in the concession contract and the agreed approach to the funding of the Tyne Tunnels (Note: the final decision will be taken by the Tyne and Wear Sub Committee in January 2022);
- (v) Noted that the budget proposals for Transport will be subject to a consultation process including reports to the JTC Overview and Scrutiny Committee, relevant officer groups and the Leadership Board of NECA and the NTCA Cabinet;
 - (vi) Noted the intention to approve the budget and agree the Transport levies at the meeting of the JTC on 18 January 2022, after considering any comments received on the proposals and decisions reached by the Tyne and Wear Sub Committee in January 2022.

59. FORECAST OF CAPITAL OUTTURN 2021/22 – PERIOD TO 30 SEPTEMBER 2021

The Committee received a report which provided details of the 2021/22 capital programme, together with the expenditure to date and forecasts to year end based on the position to 30 September 2021.

The Transport capital programme encompasses a wide range of capital schemes, mainly delivered by the constituent local authorities and by Nexus, but also investment in the two Combined Authorities' own assets, including the Tyne Tunnels.

The total capital expenditure on Transport schemes is forecast to be £157.510m, against the revised programme budget of £162.337m, a forecast underspend of £4.827m to year end, largely due to lower than forecast expenditure in year on the Metro Asset Renewal Plan and Metro Flow projects, offset by increased forecast expenditure on Metro Fleet Replacement and on the Tyne Tunnels.

Actual expenditure incurred to the end of September 2021 totalled £50.172m, 31.8% of the forecast total capital expenditure forecast for the year.

An increase of £0.400m in the budget for the Tyne Pedestrian and Cycle Tunnels refurbishment was included in the forecasts, funded from Tyne Tunnels reserves. The increased budget is required to meet the additional expenditure to complete the work on the inclined lifts.

Most of the capital investment that will be incurred during the year will be funded by Government grants with elements of the Nexus capital programme and the Tyne Pedestrian and Cycle Tunnels works funded by earmarked reserves held specifically for these purposes.

The report included an update on the assumptions being applied in the development of the capital programme 2022/23 and for future years which will be presented to the JTC at its next meeting in January 2022.

RESOLVED: The North East Joint Transport Committee:

- (i) Noted the updated forecast of capital outturn for 2021/22; and
- (ii) Agreed the £0.400m increase in the budget for the Tyne Pedestrian and Cycle Tunnels refurbishment project as set out in section 2.34 of the report, to be funded from Tyne Tunnels reserves.

60. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED: The North East Joint Transport Committee agreed to exclude the press and public during items 11,12 and 13 by virtue of paragraphs 1,2,3, 4 and 5 of Parts 1 and 3 of Schedule 12A of the Local Government Act.

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North East Joint Transport Committee

Date: 14 December 2021

Subject: Integrated Rail Plan and the Leamside Line

Report of: Managing Director, Transport North East

Executive Summary

This report provides an outline of the government's Integrated Rail Plan for the North and Midlands (IRP) which was published on 18th November 2021 and the impacts on future rail connectivity of the North East. This report also summarises the latest position regarding study work covering the East Coast Main Line (ECML) and the Leamside Line.

The outcome of the IRP for the region is very disappointing as the North East is no longer proposed to be connected to the UK's future high speed rail network. The IRP also rules out government investment in the Leamside Line as a means of adding capacity to the ECML.

The IRP does however discuss more limited potential improvements to the existing ECML route in our region, as well as committing to a £96bn package of major investments to upgraded and new railway routes elsewhere in the North and Midlands. It also suggests that the Leamside Line could be part of a "future city region settlement".

We are concerned about possible negative economic consequences for the region given that rail connectivity will be transformed between many English centres, but the North East will be almost untouched by these benefits.

The government has also recently published the Union Connectivity review (26th November). A detailed report will be brought to the January Committee, including what the review says on road, air and sea connectivity.

This report proposes a series of steps to continue both work to improve the capacity of the ECML in our region, and to reopen the Leamside Line using Metro and local rail services.

Recommendations

- i) The Joint Transport Committee is recommended to continue to work with local and regional stakeholders to provide strong evidence (through business case development) of the need to significantly invest in rail connectivity within and between the North East and the other main economic and social hubs across the north and the rest of the UK.

1. Background:

- 1.1 In the summer of 2019, the UK government commissioned an independent review on 'whether and how' to proceed with HS2. Then in February 2020 the review concluded that for Phase 2b of HS2 (the route from Birmingham to Manchester and Leeds) the Y-shaped network "was the right strategic answer for the country." However, the review also concluded that Phase 2b needed to be considered as part of an 'Integrated Rail Plan' which also includes Northern Powerhouse Rail (NPR), Midlands Rail Hub, and other major rail schemes "to ensure these are scoped, designed, delivered, and can be operated as an integrated network"
- 1.2 The government stated in November 2020 that once published the IRP "will inform the Department for Transport's planning for the long-term future of the East Coast Main Line (ECML)." Under the original plans, both HS2 and NPR services would serve the North East by joining onto the ECML, enabling the region to be connected to the UK's high speed rail network.
- 1.3 To this end TNE has been working on behalf of JTC with both TfN and Network Rail to develop the studies required to produce a preferred NPR network which was approved at the TfN Board. The reopening of the Leamside Line in full (to divert freight off the ECML to enable an uplift of 50% in passenger services capacity) was part of this preferred network, on to which local enhancements for Metro /local rail could be incorporated in the future.
- 1.4 In 2020 the UK Government asked Sir Peter Hendy CBE to undertake a detailed review into how transport connectivity across the UK can support economic growth and quality of life in England, Scotland, Wales and Northern Ireland. He was also asked to make recommendations as to whether and how best to improve transport connectivity between the nations of the UK. Members will recall that JTC submitted a response to the call for evidence as part of the review.

2. Summary of the reports' contents

What does the IRP recommend?

- 2.1 The IRP has cancelled the eastern leg of HS2 between Birmingham and Leeds, and as a result no HS2 services are now proposed to reach the North East. The government will now upgrade existing routes and build high-speed lines in some areas:
 - A 42-mile section between Birmingham and East Midlands Parkway, just south of Nottingham;
 - A second high-speed route will run south from Leeds for about 23 miles;
 - A third stretch will run for 33 miles from Crewe to Manchester, to

complete the western leg of HS2.

- 2.2 The IRP has also downgraded plans for Northern Powerhouse Rail (NPR), the east-west rail line being developed by Transport for the North (TfN). NPR is now truncated to a new line between Warrington and just into Yorkshire, plus a series of low-level upgrades and part of the Transpennine Route Upgrade (TRU). Again, the Leeds to Newcastle leg of the NPR network has been dropped.
- 2.3 Instead, the East Coast Main Line will 'get digital signalling and also upgrade the power supply to allow longer and more frequent trains, increase maximum speeds up to 140mph in some places, improve the capacity of stations, and remove bottlenecks such as flat junctions'. This would enable for example, a 20-minute faster journey time between Newcastle and London, but only a 5 minute journey time improvement to Leeds as opposed to a 30 minute saving proposed by NPR.
- 2.4 The IRP also says, 'North of York we will look to increase the number of paths for long distance high speed trains from 6 to 7 or 8 per hour'. This is subject to a future business case and is less than the proposed 9 trains per hour under the former HS2/NPR proposals and does not include the reopening of the Leamside Line. Elsewhere in the plan it states 'We will ask Network Rail to now take forward these proposals, including considering any alternatives which may deliver better outputs and/or more cost-effective solutions'. Appendix 1 shows a map of the proposed new network which shows that the North East will no longer be connected to the UK's proposed high-speed rail network, with rail services being kept on the existing ECML.

What does the UCR recommend?

- 2.5 The review provides 18 recommendations the most relevant ones for the North East regarding rail are:
- Design and implement UKNET – a strategic transport network for the whole of the United Kingdom, and commit funding to improve the network, in particular, the parts that are not performing well;
 - Plan improvements to the network using multimodal corridors, which should be reviewed regularly and appraised on a wider economic basis in order to support government objectives such as levelling up and net zero
 - Seek to work with the Scottish Government to develop an assessment of the East Coast road and rail transport corridor from North East England to South East Scotland, including improvements on the East Coast Main Line and the A1

What does the IRP mean for the North East?

- 2.5 The IRP means that the Eastern leg of HS2 will no longer go ahead as planned and North East will no longer be part of the HS2 network. The region is also no longer considered to be part of the NPR "core network" and east-

west rail journey times will not be improved significantly. For example, Newcastle to Leeds future rail journey times will only be 5 minutes faster than today. Therefore, the plans to downgrade NPR diminishes the opportunity to secure economic growth across the Pennines.

- 2.6 The removal of the North East's links to HS2 (2 trains per hour) and potential loss of direct NPR services (a further 2 trains per hour) means that there will be fewer future services than the 9 trains per hour previously planned on the ECML in the region, which has led the government to conclude that there isn't a major capacity problem to be solved. The IRP therefore only identified a need to deliver 7 or 8 train paths per hour, only marginally more than today and just enough to accommodate the additional London service that was proposed in the recent May 2022 timetable consultation.
- 2.7 There are some smaller-scale investments planned to release ECML capacity in our region including additional platforms at Newcastle, reinstating the Bensham curve and a third line north of Chester-Le-Street. The North East Joint Transport Committee is already part funding Network Rail to develop the business case for these improvements.
- 2.8 The reinstatement of the Leamside Line, which would enable the region's future capacity needs to be met between Northallerton and Newcastle, are now not being taken forward by central government, but the IRP suggests it 'would be best considered as part of any future city region settlement'.
- 2.9 The ECML in the North East will continue to consist of only two tracks – one in each direction already at full capacity (6 trains per hour in each direction), with minor upgrades to accommodate one or two extra trains in future. An additional consequence would appear to be that the plans for a HS2 train stabling depot in Heaton to store 11 HS2 trains, allowing HS2 services to start and terminate at Newcastle and serve the rest of the route has been cancelled by the government.
- 2.10 The primary reason for the downgrading of proposals to better connect the North East to a high-speed rail network seems to be based on a short term cost saving. It does not seem to consider the wider economic consequences of such a proposal and does not take account of the government's levelling up policy. It is still focused on serving London and the south east and does nothing to improve the North East's connectivity to Leeds and Manchester, which was downgraded even in the recent May 2022 timetable consultation. The IRP seems to miss the point that connectivity is not only about minor increases in journey times to London, but also about the frequency of services to other destinations and the reliability and resilience of those services – all of which require improved capacity. No consideration seems to have been given to the fact that with a mixed passenger and freight route and only a 2-track railway the ECML in our region is not fit for today's services never mind future growth.
- 2.11 By geography the North East is a long way from the other northern economic centres and thus any improvement work is likely to be more expensive on a cost-per-mile basis to the nearest large city (Leeds) than connecting other cities that are closer to each other. However, passengers from our region

already pay higher fares to our nearest NPR city pair (Leeds) because of this distance.

- 2.12 The North East interventions which the government has asked Network Rail to look at in the IRP have been in plans for a decade without being progressed.

What does the UCR mean for the North East's rail services?

- 2.13 Although a section of the report is focussed on connecting the North East (of England) with the South East of Scotland, disappointingly it proposes another 'assessment' for the East Coast corridor – of which there have already been many, whereas elsewhere in the review it proposes "investment" for the West Coast Main Line.

3. Options for moving forward

- 3.1 The JTC has considered in the past the interventions which it believes will deliver a transformation to the North East connectivity as proposed in the NPR preferred network, including those intervention identified in the IRP plus the full reopening of the Leamside Line.
- 3.2 Work has been progressing on several fronts associated with plans to reopen the Leamside Line for rail / Metro use including
- a) The development work of an Umbrella Business case for interventions.
 - b) Progressing engineering feasibility work and demand forecasting studies for the South Tyneside and Wearside loop.
 - c) Submitting a Restoring your Railways bid and local MPs' proactive response.

Umbrella Strategic Outline Business Case

- 3.3 There are a number of studies being looked at along the ECML/Leamside corridor. We are working to coordinate these various studies and assimilate them into a single coherent plan which maximises the benefits to the North East. Consultants have been engaged to prepare an Umbrella strategic outline business case. The delay to the publication of the governments Integrated Rail Plan for the North and Midlands (IRP) has hampered progress. However, progress has been made with a baseline report being completed and a skeleton structure for the document produced. This includes the development of the following objectives:
- **Inclusive Growth** - Connect communities with employment and education opportunities and reduce national and regional inequalities.
 - **Low Carbon** - Incentivise a shift to more sustainable modes of transport and promotes decarbonisation and electrification.

- **Integrated and Multi-modal** - Provide improved choice and value for users through enhanced connectivity and integration across the network and across modes (including active travel).
- **Resilient** - Ability to support a growing transport demand without compromising on performance or reliability.

3.4 An officer Programme Board is overseeing the work and includes representatives from DfT, Network Rail, TfN, the Northern Transport Acceleration Council and local authorities. Now the IRP has been published we will need to review the USOBC progress to date and aim to complete the work by the end of the year.

South Tyneside and Wearside Loop

3.5 This a new Metro route that would use the north end of the Leamside Line to bring the Metro through Follingsby to Washington, over the River Wear, and then across to join up with the existing Metro terminus at South Hylton. This would provide a Metro connection between Washington and Sunderland. It could also have a direct route from Follingsby to Heworth using a bridge over the existing rail line in the Pelaw area, allowing South Tyneside to be joined to the new service.

3.6 As part of the programme of studies into corridors for potential Metro extensions, consultants have been working on the engineering feasibility and demand forecasting along sections of the South Tyneside and Wearside Loop. We have already updated Members on the result of feasibility work looking at the Northern end of the route, including:

- Pelaw Flyover
- Bowes Chord Grade Separated Junction (an alternative to Pelaw Flyover)
- Boldon Junction to Tyne Dock
- Boldon Chord Station
- Pelaw to IAMP
- A potential IAMP Station

Work is now nearing completion on the feasibility work on the southern section of the route, linking Washington through to Sunderland. A number of challenges present themselves along this section including:

- The Victoria Viaduct
- Access beneath the A19
- The level crossing at South Hylton and impacts on the station.

3.7 The report to access the engineering feasibility and provide high level cost is expected imminently and a more detailed report is planned to be brought to JTC at the January committee. In parallel to the engineering feasibility work, demand forecasting is also been developed. This is exploring four service

pattern scenarios and will also be complete at the end of November, beginning of December. Thus, a comprehensive update can be providing in January.

- 3.8 Funding has been secured via the LEP (with a level of match funding from the Extension budget) to progress the findings of the two (Engineering and Demand) studies to an outline SOBC. More details of the SOBC will be reported in the January update.

Leamside heavy rail passenger services

- 3.9 As part of the suite of projects being investigated involving the Leamside Line, a Restoring you Railways expression of interest bid for “Ideas funding” was submitted with the aim to help us progress the strategic outline business case for a local passenger service to operate from Newcastle, via Washington to connect Ferryhill. A separate bid had previously been accepted for a service from Ferryhill to Middlesbrough.
- 3.10 Following the comprehensive spending review and budget announcement, the Rail Minister informed the local MPs that our bid was unsuccessful. The covering letter attached cited that *‘Our discussion and assessment found that your proposal did not set out the case sufficiently for it to be recommended for further funding. The scheme shows good potential in terms of transport and socio-economic benefits, however the overall cost of the re-instatement (circa £600m) remains prohibitive. I would advise that any future submission considers phasing the proposal so that any re-instatement of the line is done in a series of smaller, less costly proposals’.*
- 3.11 Whilst this is obviously disappointing news it does acknowledge that reopening the Leamside would be a positive move in terms of socio-economic benefits. Local MPs reacted proactively by seeking recognition of the role the route should play in the Integrated Rail Plan around the capacity relief on the ECML and local connectivity. Despite intense lobbying by North East MPs including a joint letter to Ministers, along with JTC members, the LEP, the Chamber and the Northern Powerhouse Partnership (NPP) the published IRP does not see the Leamside Line as part of a wider strategic network but a potentially a local connectivity scheme.

4. Proposals

- 4.1 Whilst it is disappointing that the IRP effectively rules out government investment in the Leamside Line as a means of adding capacity to the ECML, nevertheless the strategic case remains strong for the JTC to develop a business case for the route to be used for Metro and local rail services. Work is already underway in this regard, with budgetary provision already having been made for the Metro South Tyneside and Wearside Loop to be developed to SOBC.
- 4.2 Equally, although the government has decided not to accept our bid to the “Restoring Your Railways Fund” in relation to local heavy rail passenger

services along the Leamside Line, we believe that there is a significant opportunity to improve the connectivity and social and economic outcomes for communities along the line. We therefore propose to commission a study using our own budgetary provision for Metro and Local Rail services in the next financial year, subject to approval through the budget-setting process.

4.3 We have recently reported that work to examine a 7th path on the existing ECML to meet short-term needs is underway. The government had previously declined to fund this work and so it is currently being taken forward, funded jointly by the Joint Transport Committee, Transport for the North, and Network Rail. We will hold discussions with the Department for Transport over the implications of the IRP and whether the government now wishes to play a more active role in this work.

4.4 We do not accept the IRP's analysis that only 7 or 8 paths are required on the ECML in our region. This would meet the short-term need but does not allow for any future growth in services – passenger or freight – and it does not improve the resilience of the route. We will therefore continue to make the case to the government for future investment. We will also ensure that our work to progress the reopening of the Leamside Line for Metro and local passenger services allows, where possible, for its future use by long-distance freight and passenger services.

4.5 The Joint Transport Committee will also wish to continue to work with local, regional and national stakeholders to provide strong evidence (through business case development) of the need to significantly invest in rail connectivity within and between the North East and the other main economic and social hubs across the north and the rest of the UK.

5. Reason for the Proposals

5.1 The above proposals are intended to ensure that the Joint Transport Committee continues to work to enhance the region's rail connectivity, both on the ECML as a national strategic route, and to better connect communities in the region.

6. Next Steps and Timetable for Implementation

6.1 The next step is to work with government, TfN and Network Rail to plot the best course for the future development of the North East connectivity and then develop strong cases for the incremental development of both the ECML and the Leamside line.

6.2 A further report will be brought to JTC in January outlining:

- i. the engineering and demand forecasting work on the South of Tyne and Wearside loop and the proposals for the SOBC.
- ii. the Umbrella SOBC report
- iii. Progress with the ECML 7th path SOBC

7. Potential Impact on Objectives

- 7.1 There is no potential impact on objectives as a result of the proposals put forward by this paper. However, the removal of North East connections to both HS2 and NPR will have significant negative impacts on the strategic objectives of the Transport Plan, primarily reducing our ability to 'Overcome inequality and grow our economy'.

8. Financial and Other Resources Implications

- 8.1 There are no immediate direct financial and resource implications from this report.

9. Legal Implications

- 9.1 There are no immediate direct financial and resource implications from this report.

10. Key Risks

- 10.1 There are no key risks resulting from this paper, the key risk as a result of the IRP (and UCR) is that whilst other areas of the country will see improved high speed rail connectivity, the North East will not and thus the differential economic and social disparities are likely to widen even further.

11. Equality and Diversity

- 11.1 There are no specific equality and diversity implications arising from this report.

12. Crime and Disorder

- 12.1 There are no specific crime and disorder implications arising from this report.

13. Consultation/Engagement

- 13.1 This report has been through the Heads of Transport and Transport Strategy Board in accordance with the governance of JTC reporting.

14. Other Impact of the Proposals

- 14.1 The impacts of the IRP are outlined in the body of the report.

15. Appendices

- 15.1 Appendix 1 – IRP 'core network' map

16. Background Papers

- 16.1 The Integrated Rail Plan for the North and Midlands.

17. Contact Officers

17.1 Derek Gittins, Head of Heavy Rail,
Transport North East
Email: derek.gittins@transportnortheast.gov.uk

18. Sign off

- Head of Paid Service: ✓
- Monitoring Officer: ✓
- Chief Finance Officer: ✓

19. Glossary

19.1 All acronyms or technical terms used are explained in the body of the report.

IRP – Integrated Rail plan for the North and Midlands

NPR – Northern Powerhouse Rail

HS2 – High Speed 2

TfN – Transport for the North

JTC – Joint Transport Committee

NECA – North East Combined Authority

TNE -Transport North East

SOBC – Strategic Outline Business Case

ECML – East Coast Main Line

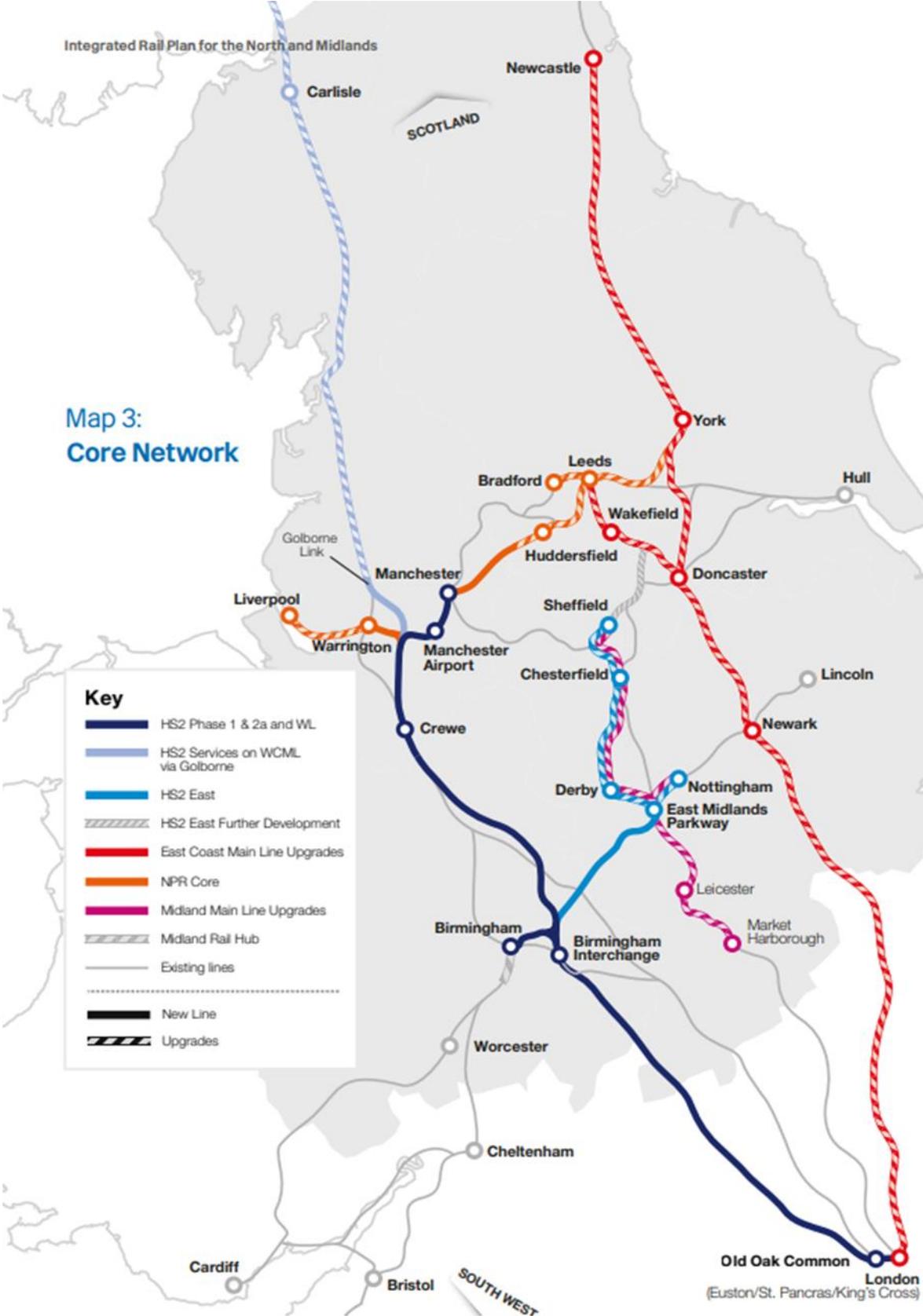
NPP- Northern Powerhouse Partnership

LEP – Local Enterprise Partnership

DfT – Department for Transport

UCR- Union Connectivity Review

Appendix 1 – IRP ‘core network’ map



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